2. For direct labor:
   a. Compute the actual direct labor cost per hour for the month.
   b. Compute the labor rate variance.

(Hint: In completing the problem, it may be helpful to move from known to unknown data either by using the variance formulas or by using the columnar format shown in Exhibits 11–5 and 11–6.)

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PROBLEM 11–14 Comprehensive Variance Analysis [LO 11–1, LO 11–2, LO 11–3]

Vitalite, Inc., produces a number of products, including a body-wrap kit. Standard variable costs relating to a single kit are given below:

	Standard Quantity or Hours	Standard Price or Rate	Standard Cost
Direct materials	?	$6 per yard	$?
Direct labor	?	?	?
Variable manufacturing overhead	?	$2 per direct labor-hour	?
Total standard cost per kit			$42

During August, 500 kits were manufactured and sold. Selected information relating to the month's production is given below:

	Materials Used	Direct Labor	Variable Manufacturing Overhead
Total standard cost*	?	$8,000	$1,600
Actual costs incurred	$10,000	?	$1,620
Materials price variance	?		
Materials quantity variance	$600 U		
Labor rate variance		?	
Labor efficiency variance		?	
Variable overhead rate variance			?
Variable overhead efficiency variance			?

*For the month's production.

The following additional information is available for August's production of kits:

Actual direct labor-hours	900
Difference between standard and actual cost per kit produced during August	$0.14 U

Required:

1. What was the total standard cost of the materials used during August?
2. How many yards of material are required at standard per kit?
3. What was the materials price variance for August if there were no beginning or ending inventories of materials?
4. What is the standard direct labor rate per hour?
5. What was the labor rate variance for August? The labor efficiency variance?
6. What was the variable overhead rate variance for August? The variable overhead efficiency variance?
7. Complete the standard cost card for one kit shown at the beginning of the problem.

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PROBLEM 11–15 Comprehensive Variance Analysis [LO 11–1, LO 11–2, LO 11–3]

Helix Company produces several products in its factory, including a karate robe. The company uses a standard cost system to assist in the control of costs. According to the standards that have